



Congresswoman Jackie Walorski
2nd District of Indiana
Medicare 101

Presenters:

John Williams **Medicare Specialist**

State Health Insurance Assistance Program – SHIP


- 8 years– SHIP Medicare Specialist
- 38 years– Social Security Administration
- 6 years– Medicaid (Indiana Dept. of Public Welfare)

Jan Faker **Senior Constituent Liaison**

Medicare, Healthcare and Social Security Specialist

- Congresswoman Jackie Walorski – since 2014
 - U.S. Senator Dan Coats – 4 years
 - Congressman Steve Buyer – 17 years
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What we will cover today

- **Jan Faker:**
 - What's new in 2020
 - **John Williams:**
 - What is Medicare?
 - Who is Eligible?
 - When do I Enroll?
 - How do I Enroll?
 - Medicare Parts A & B
 - Medicare Supplements or "Medigaps"
 - **Jan Faker:**
 - Medicare Part D Drug Plans
 - **John Williams:**
 - Medicare Part C Advantage Plans
 - **Jan Faker:**
 - Wrap-up
 - **Questions?**
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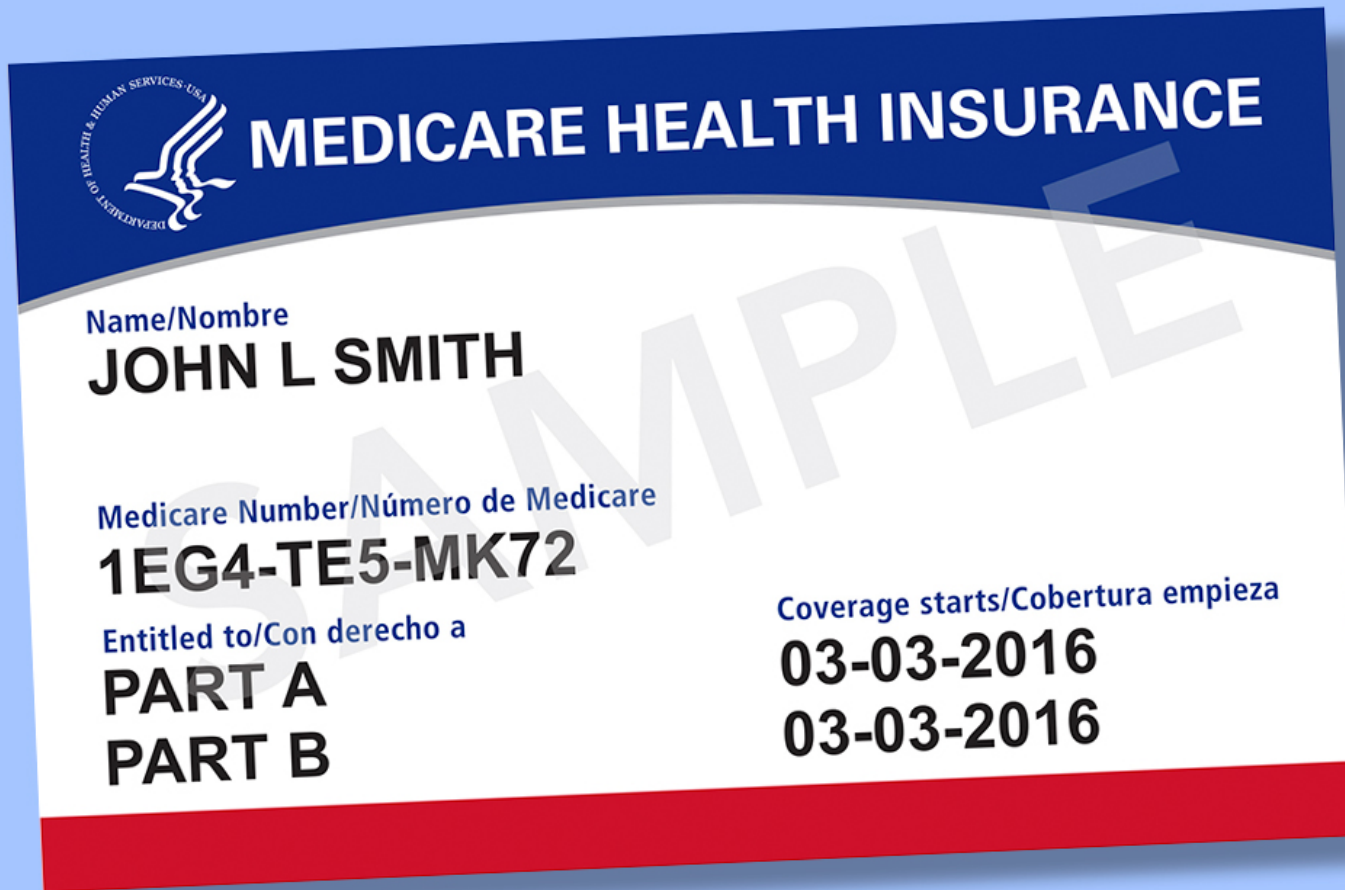
Medicare & You 2021

The official U.S. government
Medicare handbook



CMS

What's new in 2021?



What else is new in 2021?

What is my Cost of Living Increase (COLA) for Social Security in 2021?

- Will be announced October 13th.
- Based on Consumer Price Index

What will my Medicare Part B premium be in 2021?

- Announced later in October 2020

Part D Senior Savings Model – \$35 copay for insulin



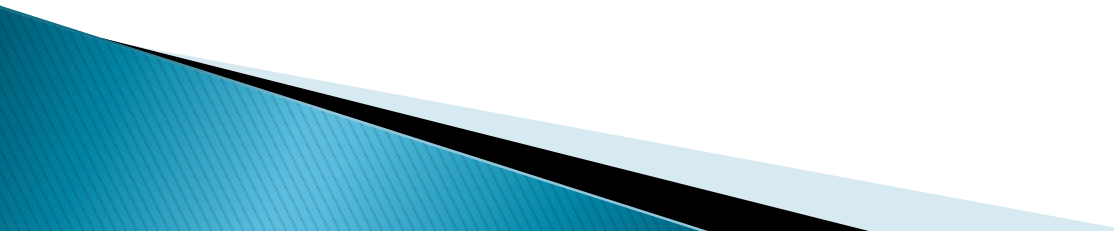
Medicare Annual Enrollment

(or why is my mailbox exploding??)

- ▶ Starts October 15th –December 7th
 - Coverage changes begin January 1, 2021
 - Enroll
 - Disenroll
 - or switch Medicare Advantage Plans or Part D Drug Plans

But first...let's learn about Medicare!

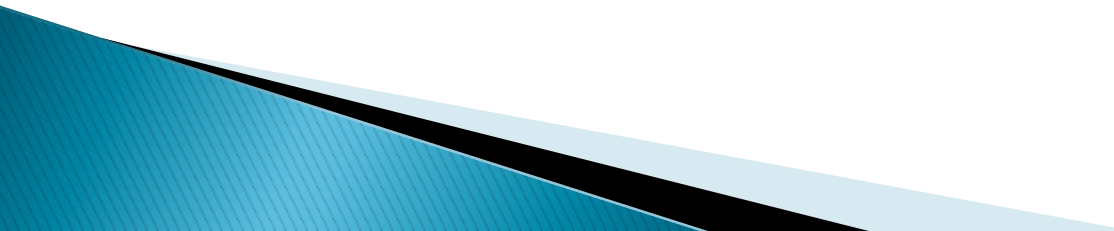
Who is Eligible for Medicare?

- ▶ U.S. citizen or legal resident for at least five consecutive years; and
 - ▶ Age 65 or older
 - ▶ Under age 65 – received SSDI for 24 months or has ALS
 - ▶ Any age with a diagnosis of end-stage renal disease
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WHEN DO I SIGN UP FOR MEDICARE?

- ▶ Your first chance to enroll:
 - Your initial enrollment period (IEP).
 - Seven months to enroll – three months before you turn 65, your birthday month and three months after your birthday month
- ▶ If you enroll before turning 65, your coverage starts the first day of your birthday month
- ▶ If you enroll during your birthday month or later coverage will be delayed

SOME MAY BE AUTOMATICALLY ENROLLED

- ▶ At age 65 if you receive SS monthly benefits
 - ▶ If under 65 and you receive SSDI, you are automatically enrolled in Part A and B after 24 months
 - ▶ If under 65 and have ALS you are automatically enrolled in Part A and B the first month you receive SSDI
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HOW DO I SIGN UP FOR MEDICARE?

- ▶ Contact Social Security Administration

1-800-772-1213

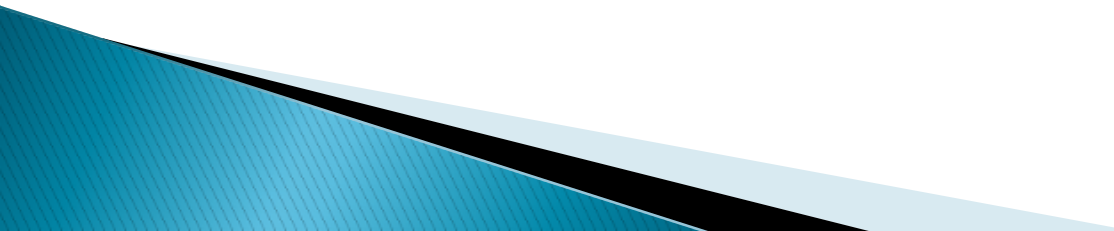
or

- Apply online at www.ssa.gov/benefits/medicare

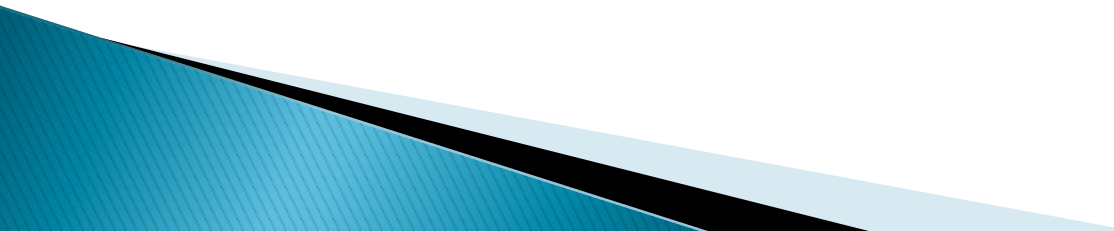
- NOTE: SSA offices are currently not taking in-person appointments

- Your red, white and blue Medicare card will arrive before your 65th birthday

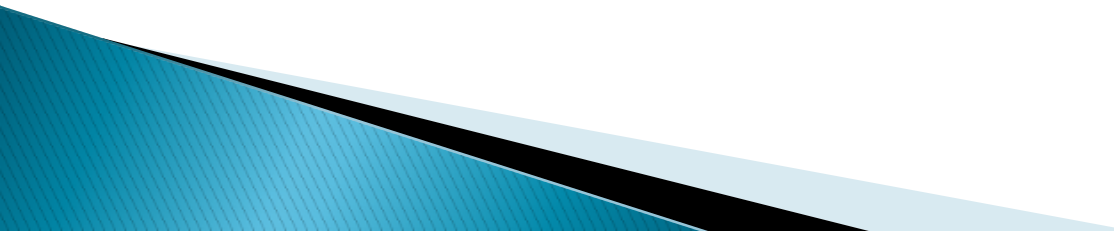
Parts of Medicare

- ▶ Medicare Part A (Hospital)
 - ▶ Medicare Part B (Medical)
 - ▶ Medicare Part C (Advantage)
 - ▶ Medicare Part D (Drugs)
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Definitions

- ▶ **Premium** – the fixed amount you pay your health insurance or plan for Medicare coverage. You may pay your premium to Medicare, to a private insurance company or both depending on your coverage
 - ▶ **Out of Pocket Maximum** – the maximum amount you pay during a policy period (generally one year). After maximum is reached your plan pays 100%. Does not include premium
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Definitions

- ▶ **Deductible** – a set amount you pay out of pocket each year or benefit period before your plan begins to pay
 - ▶ **Coinsurance** – the cost you and your health insurance plan pay are split on a percentage basis such as 20% / 80%
 - ▶ **Copay** – fixed dollar amount you pay when you receive service
- 

MEDICARE PART A

HOSPITAL INSURANCE

HOSPITAL COVERAGE FOR EACH HOSPITAL STAY:

- \$1,408 deductible per benefit period.
- \$0 for the first 60 days of each benefit period
- \$352 co-pay each day for days 61–90
- \$704 co-pay each day for days 91–150

SKILLED NURSING FACILITY STAY

Up to 100 days in a skilled nursing facility after a three-day inpatient hospital admission

- \$0 for first 20 days
- \$176 per day for days 21 – 100

- Blood
- Home health
- Hospice

MEDICARE PART A: \$0 premium

MEDICARE PART B

MEDICAL INSURANCE

- ▶ Doctor's visits
- ▶ Outpatient hospital services
- ▶ Home health care
- ▶ Durable medical equipment;
 - Canes, walkers, wheelchairs, oxygen and diabetic supplies etc.
- ▶ Lab tests
- ▶ Preventive Services
 - Annual Wellness visit, screenings, shots or vaccines
- ▶ Medicare Part B has a \$198 annual deductible.
- ▶ Medicare Part B pays 80% – You pay 20%

HOW MUCH DO I PAY FOR MEDICARE PART B


The standard Part B premium amount in 2020 is \$144.60 a month.

Some beneficiaries pay more, based on their income (MAGI – modified adjusted gross income)

- Individuals with annual income of more than \$87,000
- Joint Filers with MAGI of more than \$174,000

- ▶ **Penalty**: If you didn't get Part B when you're first eligible, your monthly premium may go up 10% for each 12-month period you could've had Part B but didn't sign up. FOREVER!

CAN I DECLINE MEDICARE PART B?

- ▶ You can decline Part B without a penalty if you are still actively working and have coverage through a large group employer health plan. (Not retirement health coverage!)
 - ▶ Be sure before you decline!
 - Call SSA (800-772-1213) and ask if you can decline without a penalty for late Part B enrollment.
 - ▶ Ask your employer for “evidence of coverage” if you are working and have employer group coverage.
 - ▶ You have 8 months to enroll in Part B after retiring or losing your employer coverage.
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MEDICARE SUPPLEMENTS OR “MEDIGAPS”

- ▶ Medigap plans help pay some of your Medicare out of pocket costs
- ▶ Medigap plans are sold by private insurance companies and help pay some deductibles, copays and coinsurances not covered by original Medicare

SHIP website for Medigaps: www.idoi.in.gov/medigap



How do I compare Medigap plans?

The chart below shows basic information about the different benefits that Medicare Supplement Insurance (Medigap) plans cover for 2020. If a percentage appears, the Medigap plan covers that percentage of the benefit, and you're responsible for the rest. Out-of-pocket costs (like **deductibles**) might change for 2021.

Benefits	Medigap plans									
	A	B	C	D	F*	G*	K	L	M	N
Medicare Part A coinsurance and hospital costs (up to an additional 365 days after Medicare benefits are used)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Medicare Part B coinsurance or copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%***
Blood (first 3 pints)	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Part A hospice care coinsurance or copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Skilled nursing facility care coinsurance			100%	100%	100%	100%	50%	75%	100%	100%
Part A deductible		100%	100%	100%	100%	100%	50%	75%	50%	100%
Part B deductible			100%		100%					
Part B excess charges					100%	100%				
Foreign travel emergency (up to plan limits)			80%	80%	80%	80%			80%	80%
							Out-of-pocket limit in 2020**			
							\$5,880		\$2,940	

* Plans F and G also offer a high-deductible plan in some states. With this option, you must pay for Medicare-covered costs (coinsurance, copayments, and deductibles) up to the deductible amount of \$2,340 in 2020 before your policy pays anything. (You can't buy Plans C and F if you were newly eligible for Medicare on or after January 1, 2020. See previous page for more information.)

** For Plans K and L, after you meet your out-of-pocket yearly limit and your yearly Part B deductible (\$198 in 2020), the Medigap plan pays 100% of covered services for the rest of the calendar year.

*** Plan N pays 100% of the Part B coinsurance. You must pay a copayment of up to \$20 for some office visits and up to a \$50 copayment for emergency room visits that don't result in an inpatient admission.

IT'S TIME FOR.....



1. When are you eligible for Medicare?

At age 65 – Enroll three months before your 65th, the month of and three months after. (Seven-month Initial Enrollment Period)

2. What is Medicare Part A?

Hospital Insurance (inpatient only)

Up to 100 days in skilled nursing facility (rehab)

3. What is Medicare Part B?

Medical Insurance

Doctor's visits, Outpatients services,

Durable medical equipment, Home

Health and Preventive Services

4. How do I enroll in Medicare?

Contact Social Security Administration **800/772-1213**

Apply online at **www.ssa.gov/benefits/medicare**

5. How much does Medicare Part B pay?

80% of Medicare's approved amount

6. What is a Medigap Supplement?

Pays Part A deductibles/copays and Part B coinsurances

7. How do I buy a Medigap?


Health insurance agents or yourself

www.idoi.in.gov/medigap



Well
Done!

MEDICARE PART D


- ▶ Coverage for prescription medications (over-the-counter not covered)
 - ▶ Voluntary but there is a Lifetime penalty (2021 – .31 per month x # of months) if a beneficiary does not have other “creditable” coverage and does not enroll in a Part D plan when eligible.
 - ▶ Must have Medicare Part A and/or B in order to enroll.
 - ▶ Plans are sold by private, Medicare approved Part D insurance companies
 - ▶ (30 plans in Indiana in 2021)
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HOW DOES PART D WORK?

PART D In 2021:

- ▶ Annual deductible is \$0 to \$445
- ▶ Monthly premiums range from \$7.30 to \$81.60
- ▶ After deductible is met, Plans pay at least 75%, you pay 25% or less

In 2021, once you and your plan have spent \$4,130, the “initial coverage limit” (not including monthly premium) you are now in the “donut hole” and you pay 25% for generics and 25% for brand name covered drugs.



▶ **WHEN DO I ENROLL?**

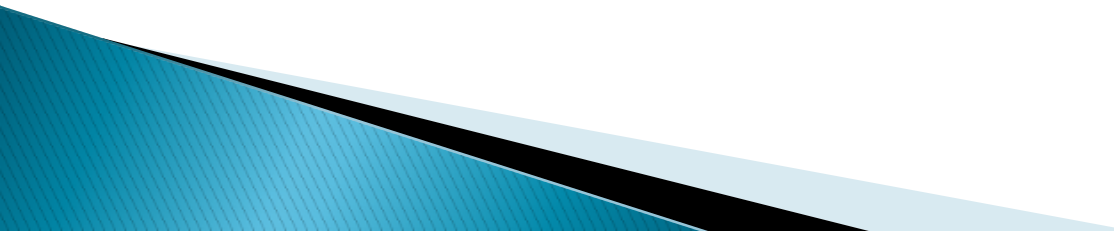
- Initial Enrollment Period
 - when you first Enroll in Medicare
- Annual Enrollment Period
(October 15th –December 7th)
 - Enroll or switch plans
 - Coverage effective January 1st

HOW TO GET HELP?

For more information or help:

- Visit www.medicare.gov (Drug Plan Finder)
- Call 1-800-MEDICARE (1-800-633-4227)
Say “Agent!”
- Call SHIP (State Health Insurance Program)
1-800-452-4800

INSULIN FOR \$35 A MONTH???

- ▶ Seniors who use insulin will be able to choose a plan in their area that offers insulin savings through the Part D Senior Savings Model and provides coverage of a broad set of insulins, each for no more than a \$35 copay per month.
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Medicare Advantage Plans

▶ Traditional Medicare

- Part A (Hospital)
- Part B (Doctors etc.)
- Medigap/Supplements
- Part D Drug Plan

Now – bundle all 4 of these parts together and give to a private health insurance company

▶ Medicare Advantage

- Part C or MA
- Privatized Health insurance
- Regulated by Medicare

Monthly premium can be as low as \$0!

Appendix A—What Are the Differences Between Original Medicare and Medicare Advantage?

Original Medicare

☒ **Part A**



☒ **Part B**



You can add:

☐ **Part D**



You can also add:

☐ **Supplemental coverage**



This includes Medicare Supplement Insurance (Medigap). Or, you can use coverage from a former employer or union, or Medicaid.

NOTE: Medicare Supplement Insurance (Medigap) policies only work with Original Medicare.

Medicare Advantage (Part C)

☒ **Part A**



☒ **Part B**



Most plans include:

☒ **Part D**



☒ **Extra benefits**

Some plans also include:

☐ **Lower out-of-pocket costs**

Appendix A—Comparison Chart (Doctor & Hospital Choice)



Doctor & hospital choice

Original Medicare	Medicare Advantage
You can go to any doctor or hospital that takes Medicare , anywhere in the U.S.	In many cases, you'll need to use doctors and other providers who are in the plan's network and service area for the lowest costs. Some plans won't cover services from providers outside the plan's network and service area.
In most cases, you don't need a referral to see a specialist.	You may need to get a referral to see a specialist.

IT'S TIME FOR.....



1. WHAT IS MEDICARE PART D?

- Medicare coverage for prescription drugs

2. HOW DO I BUY A MEDICARE PART D?

- From insurance agent

or

www.medicare.gov (Drug Plan Compare)

3. WHAT IS AN ADVANTAGE PLAN?

- Combines Medicare Parts A/B/D and some features of Medigap
- Sold by private health insurance companies.

I'M STILL A LITTLE CONFUSED...

TRADITIONAL MEDICARE

- Costs more per month for Medigap
- Can go to any doctor or hospital, any time, anywhere in the US that accepts Medicare.
- No copays, no co-insurance and no surprises!
- Some Medigaps cover international travel

MEDICARE ADVANTAGE

- ▶ Costs less per month
- ▶ Managed Care (networks and service areas)
- ▶ Co-pays and co-insurance for separate services.
- ▶ Cap on annual out-of-pocket can be \$6,000
- ▶ Most Advantage plans do not cover international care

DON'T FORGET TO DOWNLOAD OUR HANDOUTS AT
walorski.house.gov/medicare



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